

CALIFORNIA GAMBLING CONTROL COMMISSION
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SACRAMENTO, CALIFORNIA 95814

MINUTES OF COMMISSION MEETING
NOVEMBER 1, 2000

OPEN SESSION

Following the request of the Chairman to rise for the Pledge of Allegiance, and the recitation of the Pledge by the Commissioners and the members of the public in attendance, the Chairman called the meeting to order at approximately 9:40 a.m.

Present were Commission Chairman John E. Hensley, who in turn introduced the other Commissioners: Arlo E. Smith, J.K. Sasaki, and Michael C. Palmer.

The Chairman stated that he had received information that the notice and agenda of the meeting had not reached all to whom the Commission had intended that it be distributed.

The Chairman announced that a sign-up sheet was available at the meeting for persons desiring to receive notice of future meetings of the Commission and other information.

The Chairman explained that while ordinarily the first order of business would be approval of the minutes of the prior meeting, because the present meeting is the initial meeting of the Commission, there are no minutes to approve.

The Chairman then proceeded to the items on the agenda for Commission consideration and action.

Agenda Item 1. Adoption of Rules Governing Commission Meetings. The Chair stated that procedural rules for governance of Commission meetings is desirable. The Chair proposed adoption of Robert's Rules of Order for purposes of governing the conduct of the Commission's meetings. Commissioner Smith commented on the necessity of rules of procedure for public meetings. On motion by Commissioner Smith, seconded by Commissioner Sasaki, that the Commission adopt Robert's Rules of Order to govern the conduct of Commission meetings, and following opportunity to those in attendance for public comment on the motion, the motion was carried by the unanimous voice vote of the Commissioners present.

Agenda Item 2. Staffing Needs. The Commission's immediate and long-term staffing needs to allow for the Commission's conduct of business were addressed. The Chair identified the priority appointments as those to chief fiscal officer, executive officer and chief counsel. The Chair proposed the formation of subcommittees of the Commissioners to work on screening and appointing these key personnel. A motion was made by Commissioner Sasaki, and seconded by Commissioner Smith, that the Commission form an advisory committee consisting of Commissioner Palmer and Commissioner Sasaki for the purpose of appointing a chief fiscal officer, and further, that the Commission form an advisory committee consisting of Commissioner Smith and the Chairman to oversee establishing and filling the positions of executive officer and chief counsel. The Chairman called for discussion of the motion, and there being none, inquired whether there was any public comment from those otherwise in attendance. There being none, upon the call of the question, the motion was carried by unanimous voice vote of the Commissioners present.

Agenda Item 3. Office Space. Discussion of office space needed by the Commission and the process for obtaining such space was conducted by the Chairman, who pointed out that the Commission is currently without permanent offices and that ultimately the Commission expects to

establish offices in Sacramento and in at least one other City. The Chairman stated that the Real Estate Division of the Department of General Services is providing assistance to the Commission.

The Chairman proposed creation of a subcommittee to work as a space search committee to attempt to meet Commission's need for office space. A motion was made by Commissioner Palmer, seconded by Commissioner Sasaki, that the Commission form an advisory committee consisting of Commissioners Smith and Palmer, for the purpose of acting as a space search committee. Following opportunity extended to the Commissioners and to the public for comment upon the motion, and there being no further discussion and no comment from the public, upon the call of the question the motion was carried by unanimous voice vote of the Commissioners present.

Agenda Item 4. Budget Issues. A brief discussion of the Commission's budget, specific funding needs and the budget process was conducted by the Chairman, who noted that the Commission is currently operating under a budget plan conceived two years ago and that the budget for Commission operations is exceedingly small. The Chairman noted that the Commission wished to emulate best practices from other states as well as from within California State government when developing the budget. The Chairman adverted to the budget process' requirements and the involvement of the Department of Finance, the Governor, the Legislative Analyst and the Legislature in that process, and proposed formation of a subcommittee for the purpose of development of the Commission's budget with these requirements in mind. Commissioner Smith made a motion, seconded by Commissioner Palmer, that the Commission form an advisory committee consisting of Chairman Hensley and Commissioner Sasaki, to develop a proposed budget for the Commission and to report to the Commission with its recommendations at a future meeting. Following opportunity extended by the Chairman for discussion among the Commissioners and for public comment by those in attendance, and there being neither discussion nor comment, upon the call of the question the motion was carried by unanimous voice vote of the Commissioners present.

Agenda Item 5. Miscellaneous Start Up Issues. The Chairman adverted

to the fact that certain of the non-gaming Tribes had not received mailed notice of the meeting because of administrative oversight and again reminded those in attendance of the availability of sign-up sheets at the meeting for those desiring to receive notice of future meetings.

The Chairman stated that with respect to business to be transacted by the Commission in the future, he was unsure of the number or frequency of meetings that would be required to conduct the Commission's work. The Chairman stated that it appears likely that the Commission's meetings will be held monthly, and stated that the next regular meeting of the Commission is expected to be noticed for and held on the first Wednesday in December, that being December 6, 2000 at a location to be determined.

Commissioner Smith commented that the Commission was appreciative of cooperation received from the Executive Branch. Commissioner Sasaki made reference to the requirements of the Bagley-Keene Act and extended thanks to the Department of General Services and the California Attorney General for their assistance to the Commission. Commissioner Palmer stated that the Commission's responsibility for the accounting and distribution of the monies under its authority constitutes the Commission's highest priority and pledged to address his efforts to that priority to the greatest extent possible.

The Chairman acknowledged assistance from members of the Attorney General's Office and from Melissa Meith who is acting as a temporary executive secretary and counsel for the Commission on an interim basis. The Chairman indicated that the Commission would be establishing a website in the relatively near future for the purpose of improving the information flow concerning the Commission's business and noted that although the full membership of the Commission consists of five members, with four of the five members appointed, the Commission is "in business." Commissioner Sasaki observed that she and Commissioner Smith have been conducting visits with tribal entities and expressed appreciation for the opportunity to meet. Kurt Soderlund asked that the Chair recognize the efforts of Jerry Beaver of the Legislative Analyst's Office to assist the Commission during start-up, and the Chairman did so.

The Chairman observed that one charge to the Commission is to visit casinos and gambling establishments as the business of the Commission permits. The Chairman indicated that the Commission may be expected to be visible at conferences and meetings of the gaming industry and that the Commissioners will attempt to make themselves available for that purpose.

Noting that there were no motions in connection with this agenda item, the Chairman inquired whether there was any public comment or questions concerning what had been said. There was none.

The Chairman then announced that the Commission would adjourn and reconvene in closed session for an anticipated period of approximately one and one-half hours for the purpose of discussing personnel issues relating to appointing executive level employees, pursuant to Government Code Section 11126(a)(1). The Chairman announced that the Commission would resume the public meeting at approximately 11:30 a.m.

At approximately 11:45 a.m., the Commission reconvened its public meeting and announced that there would be no public statements made about the executive session.

Agenda Item 7. Future Commission Agendas. The Chairman commented that at the present time, apart from identifying the development of processes to effectuate the Commission's responsibilities with respect to the Revenue Sharing Trust Fund, future agenda items for future Commission meetings cannot be defined at present but will be identified in notices of future meetings. The Chairman asked if there were any public comments or questions from those in attendance concerning any matter under this item, and there were none.

THERE WAS NO AGENDA ITEM 8.

Agenda Item 9. Public Comment. The Chairman noted that the last portion of the agenda is reserved for comments from the public. (The notice and agenda of the meeting had stated that under the Bagley-Keene Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed, request clarification or refer the item to staff.)

Ms. Beverly Rodriguez, of Stewart's Point Rancheria, a member of the public in attendance, stated that she is a member of a non-gaming tribe and inquired about the time frame for disbursements from the Indian Gaming Revenue Sharing Trust Fund. The Chairman stated that the time frame is not known but that the matter of disbursements is the most important item with which the Commission must deal. The Chairman explained that first it is necessary to obtain some financial accounting from gaming tribes; that the next step will be to hold a hearing on the equitable distribution of funds to establish what the requirement of equal shares means under the Tribal State Gaming Compact; that the step then necessary will be to notify the Legislature as required by Budget Act provisions; following which, the Commission will be permitted to make distributions from the Fund..

Adjournment.

There being no further comment or question from any member of the public, and the agenda for the present meeting having been exhausted, the Chairman invited a motion to adjourn to a date certain. On motion made by Commissioner Smith, seconded by Commissioner Palmer, to adjourn the meeting to December 6, 2000, the motion was carried by unanimous voice vote of the Commissioners present.